



發利證券有限公司
PRIME SECURITIES LIMITED

14 October, 2025

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY CONDITIONAL CASH OFFER BY
PRIME SECURITIES LIMITED
ON BEHALF OF LEADING VIRTUE HOLDINGS LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
SHUNTEN INTERNATIONAL (HOLDINGS) LIMITED
(OTHER THAN THOSE SHARES
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY
THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)**

INTRODUCTION

Reference is made to the Joint Announcement.

On 12 September 2025, the Offeror and Mr. Cheung, each as the Purchaser, and Prosper Rich and Hammer Capital Consulting, each as the Seller, entered into the Sale and Purchase Agreement. Pursuant to the Sale and Purchase Agreement, (i) the Offeror has agreed to acquire 552,982,240 Shares from Prosper Rich for a consideration of HK\$13,271,573 and 181,057,793 Shares from Hammer Capital Consulting for a consideration of HK\$4,345,387, representing a total of 734,040,033 Shares for a total consideration of HK\$17,616,960; and (ii) Mr. Cheung has agreed to acquire 32,000,000 Shares from Hammer Capital Consulting for a consideration of HK\$768,000. The Sale Shares, totalling 766,040,033 Sale Shares represent approximately 24.65% of the Company's total issued share capital. The aggregate consideration for the Sale Shares is HK\$18,384,960, equivalent to approximately HK\$0.024 per Sale Share.

Completion and settlement of the aggregate consideration for the Sale Shares of HK\$18,384,960 thereunder took place on the same date of the Sale and Purchase Agreement, being 12 September 2025. Immediately before Completion, the Offeror and parties acting in concert with it (excluding 552,982,240 Shares owned by Prosper Rich, a Seller and a party presumed to be acting in concert with the Offeror prior to the Completion) owned 750,494,000 Shares (representing approximately 24.15% of the total issued Shares). Immediately following Completion and as at the Latest Practicable Date, the Offeror and parties acting in concert with it are interested in 1,516,534,033 Shares (representing approximately 48.80% of the total issued Shares).

This letter forms part of this Composite Document and sets out, among other things, details of the Offer, information on the Offeror, and the Offeror's intention in relation to the Group. Further details on the terms and procedures for acceptance and settlement of the Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

The Independent Shareholders and potential investors are strongly advised to carefully consider the information contained in this Composite Document, including the letter from the Board, the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Adviser, and to exercise caution when dealing in the Shares. If in doubt, they should consult their own professional advisers before reaching a decision as to whether or not to take any action in respect of the Offer.

THE OFFER

Prime Securities, on behalf of the Offeror, hereby makes the Offer in compliance with the Takeovers Code on the following basis:

For each Offer Share. HK\$0.024 in cash

Pursuant to the Takeovers Code, the Offer Price must not be lower than the purchase price per Sale Share payable by the Purchasers to the Sellers under the Sale and Purchase Agreement. The Offeror has therefore decided to set the Offer Price at HK\$0.024, which is equal to the price per Sale Share paid by the Purchasers under the Sale and Purchase Agreement.

The Offer is subject to the fulfillment of the Condition as set out under the paragraph headed "Condition to the Offer" in this letter.

The Offer is extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and free from all Encumbrances and together with all rights and interests attaching thereto, including all rights to any dividends or other distributions declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of this Composite Document.

As at the Latest Practicable Date, the Company has 3,107,893,440 Shares in issue. There are no outstanding Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

THE OFFER PRICE

The Offer Price of HK\$0.024 per Share represents:

- (a) a discount of approximately 33.33% to the closing price of HK\$0.036 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

- (b) a discount of approximately 22.58% to the closing price of HK\$0.031 per Share as quoted on the Stock Exchange on 11 September 2025, being the last Business Day before the Offer Period;
- (c) a discount of approximately 20.00% to the closing price of HK\$0.030 per Share as quoted on the Stock Exchange on 12 September 2025, being the date of the Joint Announcement;
- (d) a discount of approximately 25.00% to the average closing price of HK\$0.032 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Joint Announcement;
- (e) a discount of approximately 22.58% to the average closing price of HK\$0.031 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the date of the Joint Announcement;
- (f) a discount of approximately 25.00% to the average closing price of approximately HK\$0.032 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the date of the Joint Announcement;
- (g) a discount of approximately 22.58% to the average closing price of approximately HK\$0.031 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the date of the Joint Announcement;
- (h) a discount of approximately 45.45% to the consolidated net asset value attributable to the Shareholders of approximately HK\$0.044 per Share as at 31 March 2025 calculated based on the audited consolidated net asset value attributable to the Shareholders of approximately HK\$136.6 million as at 31 March 2025; and
- (i) a discount of approximately 54.72% to the consolidated net asset value attributable to the Shareholders of approximately HK\$0.053 per Share as at 31 March 2025 calculated based on the adjusted net asset value attributable to the Shareholders of approximately HK\$164.6 million after taking into account the revaluation surplus of approximately HK\$29.9 million of the properties from 31 March 2025 to 31 July 2025, being the valuation date of the Valuation Report as set out in Appendix III to this Composite Document and the difference between the consideration under the Provisional Agreement (as defined in the section headed “5. Adjusted Net Asset Value” in Appendix II) and the appraised value of property 1 in the Valuation Report of HK\$1.9 million.

Highest and Lowest Closing Prices of Shares

During the Relevant Period, the highest and lowest closing prices of the Shares as quoted on the Stock Exchange was HK\$0.042 per Share on 15 September 2025 and 16 September 2025 and HK\$0.022 per Share on 7 April 2025, respectively.

Value of the Offer

As at the Latest Practicable Date, there are 3,107,893,440 Shares in issue. On the basis of the Offer Price of HK\$0.024 per Offer Share, the entire issued share capital of the Company would be valued at HK\$74,589,443. Excluding the Sale Shares and assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to the close of the Offer, a total of 1,591,359,407 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.024 per Offer Share and on the basis of full acceptance of the Offer, the maximum payment obligations payable by the Offeror under the Offer would be HK\$38,192,626.

Confirmation of Financial Resources

The Offeror intends to finance the Offer by way of its internal resources. BaoQiao Partners has been appointed as the financial adviser to the Offeror in respect of the Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Condition to the Offer

The Offer is conditional upon valid acceptances of the Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the date of closing of the Offer announced in this Composite Document, i.e. 4 November 2025 (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) in respect of the Offer Shares which, together with Shares already owned by the Offeror and parties acting in concert with it and acquired before or during the Offer Period, will result in the Offeror and parties acting in concert with it holding in aggregate more than 50% of the voting rights of the Company.

This condition cannot be waived. If the condition cannot be fulfilled by the First Closing Date, the Offer will lapse unless extended.

The Offeror will issue an announcement in relation to the revision, extension or lapse of the Offer or the fulfilment of such condition in accordance with the Takeovers Code and the Listing Rules.

The Offeror does intend to avail itself of any powers of compulsory acquisition of any Offer Share outstanding and not acquired under the Offer after the Closing Date.

The Offer may or may not become unconditional. Shareholders and investors of the Company should exercise caution when dealing in securities of the Company and if they are in any doubt about their position, they should consult their professional advisers.

CLOSING OF THE OFFER

In accordance with Rule 15.1 of the Takeovers Code, the Closing Date of the Offer will fall on or after the 21st day from the date of this Composite Document. Where the Offer becomes or is declared unconditional (whether as to acceptances or in all respects), it shall

remain open for acceptance for not less than fourteen (14) days thereafter. The Independent Shareholders are reminded that the Offeror does not have any obligations to keep the Offer open for acceptance beyond this minimum 14-days period.

The latest time on which the Offeror can declare the Offer unconditional as to acceptances is 7:00 p.m. on the 60th day after the posting of this Composite Document (or such later date to which the Executive may consent). In accordance with Rule 15.3 of the Takeovers Code, the Offeror will publish an announcement when the Offer becomes unconditional as to acceptances and when the Offer becomes unconditional in all respects.

Effect of Accepting the Offer

By validly accepting the Offer, the Independent Shareholders will sell their tendered Shares to the Offeror free from all Encumbrances and together with all rights attaching to them, including the rights to receive any dividends and other distributions, declared, made or paid on or after the date on which the Offer is made, that is, the date of the posting of this Composite Document. Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a representation and warranty by such person that all Shares sold by such person under the Offer are free from all Encumbrances and together with all rights attaching to them, including the rights to receive any dividends and other distributions, declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of this Composite Document.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong Stamp Duty

The seller's Hong Kong ad valorem stamp duty on acceptances of the Offer at a rate of 0.10% (or part thereof) of the market value of the Shares or the consideration payable in respect of the relevant acceptance by the Independent Shareholders, whichever is higher, will be deducted from the cash amount payable by the Offeror to the relevant Independent Shareholders who accept the Offer (where the stamp duty calculated includes a fraction of HK\$1, the stamp duty would be rounded-up to the nearest HK\$1). The Offeror will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the relevant Independent Shareholders accepting the Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, its parties acting in concert, the Company, BaoQiao Partners, Prime Securities, the Independent Financial Adviser and the Registrar and their respective directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Payment

Once the Offer has become, or has been declared, unconditional in all respects, payment in cash in respect of the acceptances of the Offer, will be made as soon as possible but in any event, no later than seven (7) Business Days after the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Shares in respect of such acceptance are received by the Offeror to render each such acceptance of the Offer complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of cash consideration will be rounded up to the nearest cent.

Overseas Shareholders

The Offeror intends to make the Offer available to all the Independent Shareholders, including the Overseas Shareholders. However, the Offer is in respect of securities of a company incorporated in the Cayman Islands and is subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions.

Overseas Shareholders who wish to participate in the Offer but with a registered address outside Hong Kong are subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offer. Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas Shareholders in respect of such jurisdictions). As at the Latest Practicable Date, based on the record in the register of members of the Company, save as the Offeror, there is no Overseas Shareholder.

Acceptance of the Offer by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands with limited liability. As at the Latest Practicable Date, Mr. Cheung is the sole shareholder and sole director of the Offeror. The Offeror is principally engaged in investment holding. Mr. Cheung is the chairman of the Board and an executive Director. The Offeror has become a substantial shareholder of the Company in 2022 when the Offeror acquired approximately 23% of the issued share capital of the Company. Mr. Cheung joined the Board on 24 January 2022. As an executive Director of the Company, Mr. Cheung is involved in the

daily operations of the Group. Mr. Cheung also possesses extensive experience in the financial market. Prior to joining the Group, Mr. Cheung held key positions in various major investment banks in Asia Pacific. Based on the above background and experience, the Offeror and Mr. Cheung have the knowledge, expertise and experience in conducting and managing the Group's businesses.

INFORMATION ON THE GROUP

Details of the information on the Group are set out in the "Letter from the Board" in this Composite Document. Financial and general information of the Group are set out in Appendix II "Financial Information of the Group" and Appendix V "General Information of the Group" to this Composite Document, respectively.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

Following the completion of the Offer, the Offeror intends to continue the existing businesses of the Group.

The Offeror has no intention to (i) acquire new business for the Group; (ii) introduce any major changes to, dispose of or downsizing the existing business and operation of the Group; (iii) discontinue the employment of any employees of the Group or to make significant changes to any employment; (iv) dispose of or re-deploy the fixed assets of the Company other than those in its ordinary and usual course of business; or (v) to nominate or appoint new Directors to the Board. However, the Offeror will continuously review the business of the Group and the Offeror reserves the right to make such changes that it deems necessary or appropriate to the Group's business and operations to optimise the value of the Group.

Public Float and Maintaining the Listing Status of the Company

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares (excluding treasury shares), are held by the public or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) that there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

The Offeror intends the Company to remain listed on the Stock Exchange. The sole director of the Offeror has undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Company's Shares.

GENERAL

To ensure equality of treatment to all Independent Shareholders, those registered Independent Shareholders who hold the Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for the beneficial owners of the Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

All communications, notices, Form of Acceptance, share certificates, transfer receipts, other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of the Offeror and parties acting in concert with it, BaoQiao Partners, Prime Securities, the Company, the Independent Financial Adviser and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts any liability for any loss or delay in postage or any other liabilities whatsoever which may arise as a result thereof. Further details in respect of the procedures for acceptance of the Offer are set out in Appendix I "Further Terms and Procedures for Acceptance of the Offer" to this Composite Document.

WARNING

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares, and if they are in any doubt about their position or as to the action they should take, they should consult their stockbroker, bank manager, solicitor or other professional advisers.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information relating to the Offer set out in the appendices to this Composite Document and the accompanying Form of Acceptance, which form part of this Composite Document. In addition, you are reminded to carefully consider the information contained in the "Letter from the Board", the "Letter from the Independent Board Committee" and the "Letter from the Independent Financial Adviser" set out in this Composite Document and to consult your professional advisers as you see fit, before deciding whether or not to accept the Offer.

Yours faithfully,
Prime Securities Limited



HUI Yuet Man
Managing Director

Mr. HUI Yuet Man is a responsible officer registered under the SFO to carry out Type 1 (dealing in securities) regulated activity for Prime Securities Limited.